

TENNESSEE REGULATORY AUTHORITY



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

FOR IMMEDIATE RELEASE

July 10, 2006

CONTACT: Chairman Sara Kyle of the Tennessee Regulatory Authority

TRA EFFORTS HELP CONSUMERS RECEIVE REFUND

Due to an error of classifying charges incorrectly under County-Wide Calling, customers of Embarq recently received an unexpected charge on their telephone bill. County-Wide Calling is a service that expands a county's local calling area by billing a toll call as a local call.

After an investigation prompted by consumer complaints, the Tennessee Regulatory Authority ("TRA") contacted representatives of Embarq who identified the database error that resulted in incorrect charges in the June 2006 billing cycle to almost 2,500 consumers in Greene, Hawkins, and Johnson counties. Embarq has updated their system to prevent future overcharges and has worked with the TRA to provide consumers with credit adjustments on their next bill.

Chairman Kyle thanked Embarq for its "cooperation in correcting this matter in a timely manner and giving money back to consumers." The Chairman also observed that the TRA expects that Embarq should not overcharge the affected customers in the future. The credit to consumers is estimated to be \$44,500.